

EXPLANATORY MEMORANDUM TO

THE LAND REGISTRATION (ELECTRONIC CONVEYANCING) RULES 2008

2008 No. 1750

1. This explanatory memorandum has been prepared by Her Majesty's Land Registry and is laid before Parliament by Command of Her Majesty.

This memorandum contains information for the Joint Committee on Statutory Instruments.

2. **Description**

2.1 Conveyancing is largely paper-based at the moment. Land Registry is in the process of setting up an electronic communications network that will allow for conveyancing to be carried out electronically so that, ultimately, it can be an entirely paper-free process. The Land Registration (Electronic Conveyancing) Rules 2008 ("the electronic conveyancing rules") make provision for the creation of legal charges in electronic form using this network.

3. **Matters of special interest to the Joint Committee on Statutory Instruments**

3.1 None.

4. **Legislative Background**

4.1 Under the Land Registration Act 2002 ("the Act"), the Chief Land Registrar ("the registrar") is obliged to continue to keep a register of the ownership of land in England and Wales. More precisely, he keeps a register of titles to legal estates in land (for example, freeholds and leases having more than seven years to run) and several other types of estate. Not all legal estates are registrable, and not all those which are registrable have actually been registered.

4.2 A registered owner of land or of a charge (in other words, a mortgage) has certain powers of disposition under the Act. In the case of an owner of land, those powers include the power to transfer the land, to charge it, to grant a lease out of it or to grant a right of way over it. The transfer, charge, lease and grant are all examples of "dispositions". The Act further provides that certain dispositions, such as a transfer or charge, must be completed by registration: they do not take effect in law until this has been done.

4.3 Section 92 of the Act allows for the registrar to provide, or arrange for the provision of, an electronic communications network for purposes relating to the carrying on of transactions which involve registration and are capable of being effected electronically.

4.4 The electronic conveyancing rules make provision for legal charges to be capable of being created in electronic form, in the circumstances prescribed, using the network. They also prescribe the information which such legal charges must contain (including provision as to when they are to take effect), while allowing for optional information.

4.5 Schedule 5 to the Act makes provision in respect of the network, including that a person who is not a member of Land Registry may only have access to the network by means of a network access agreement with the registrar. It goes on to provide that the registrar must enter into a network access agreement with an applicant if that applicant meets such criteria as rules may provide. Schedule 5 also provides that rules may regulate the terms on which access is authorised and that they may make provision about termination of network access agreements by the registrar. These are matters dealt with by the Land Registration (Network Access) Rules 2008, which are being made at the same time as the electronic conveyancing rules.

4.6 The electronic conveyancing rules amend or disapply certain provisions of the Land Registration Rules 2003 to cater for electronic legal charges, retention and deletion of electronic documents and applications to the registrar to enter into a network access agreement. Additionally, rule 15 of the 2003 Rules is amended. The main practical effect of the amendment is that certain applications, whether or not in electronic form, may be treated as having been made on the day of receipt even if that is not a “business day” under the 2003 Rules. At least to start with, the change will mainly benefit electronic applications.

5. Territorial Extent and Application

5.1 The instrument applies to England and Wales.

6. European Convention on Human Rights

6.1 As the instrument is subject to negative resolution procedure and does not amend primary legislation, no statement is required.

7. Policy background

7.1 The joint Law Commission and Land Registry Consultation Document “Land Registration for the Twenty-first Century: A Conveyancing Revolution” (Law Com 271) said of the Land Registration Bill (which, with some small amendments, was enacted as the Act) that its “most important single function” was “to create the necessary legal framework for the introduction of electronic conveyancing”. Electronic conveyancing was one of the main issues addressed in the preceding Consultative Document (Law Com No 254), and nearly 80 per cent of those who responded on the issue were in favour of the principle of electronic conveyancing.

7.2 The electronic conveyancing rules were the subject of a public consultation which ran from 10 August 2007 to 16 November 2007. The consultation paper was sent to Land Registry’s credit account customers, government departments, regulatory and representative bodies and specific individuals. It was also publicised through the Land Registry website and by way of a press notice issued to the “trade press”: those interested could obtain a copy by downloading it from the website or by contacting Land Registry for a hard copy. One hundred and twenty-two responses were received to this public consultation. Generally responses were favourable, but respondents did raise some concerns which have been addressed. For example, a substantial number of respondents were unhappy about property owners authorising conveyancers to sign legal charges on their behalf, especially where there was more than one owner involved. Although specialist counsel’s opinion on this point had been taken, many were of the view that the legal validity of a document signed by a conveyancer under the delegated authority of joint owners was far from clear. The electronic conveyancing rules have therefore been amended, and indeed the signing process has been changed, to facilitate individual citizen signing. Further details are given in the report on the responses to the consultation paper, which is available on Land Registry’s website: <http://www1.landregistry.gov.uk/e-conveyancing/resources/>.

7.3 Electronic conveyancing by way of the network is to be introduced in stages and, to start with, will be piloted on a voluntary basis. In the late summer of this year, it should be possible to make certain applications by way of the network. The Land Registration (Network Access) Rules 2008, referred to in paragraph 4.5, are required before this can happen. The first stage of electronic conveyancing, in the sense of transferring and creating interests in land by electronic documents with electronic signatures and electronic applications to register them, is currently planned to start by the end of this year. As it will involve electronic legal charges, the electronic conveyancing rules are required before this first stage can start. These charges will be suitable for use in certain re-mortgages and second mortgages of registered land. In the second stage, due to begin not before the middle of 2009, the intention is to introduce other forms of electronic

dispositions, in particular transfers of registered land: further secondary legislation will be required to allow for this.

7.4 Land Registry regularly takes part in educational events and writes articles to explain to those concerned with conveyancing the Land Registry plans for electronic conveyancing and the progress that has been made. Nearer the time that the first stage of electronic conveyancing is introduced, those interested in participating will be provided with guidance as to how to get started and the benefits of using the network. When users begin to use the network, they will have access to further training materials. Land Registry is liaising with representative bodies, such as the Law Society and the Council of Mortgage Lenders, to try to ensure that all the information it provides is fit for purpose and to develop protocols to ensure that the services provided by the network operate effectively in the conveyancing process. Land Registry intends to work closely with initial users to ensure that they are confident in the use of the system and that lessons are learnt on the training and information needs of customers to improve materials for the rollout of those services to a wider community of users.

8. Impact

8.1 An Impact Assessment is attached to this memorandum.

9. Contact

Patrick Milne at Her Majesty's Land Registry, 32 Lincoln's Inn Fields, London WC2A 3PH (telephone: 020 7166 4294 or e-mail: Patrick.milne@landregistry.gsi.gov.uk) can answer any queries regarding the instrument.

Summary: Intervention & Options

Department /Agency: HM Land Registry (hereinafter called Land Registry)

Title:

Impact Assessment of The Land Registration (Electronic Conveyancing) Rules 2008

Stage: Implementation

Version: Final

Date: June 2008

Related Publications: Consultation Paper e-conveyancing secondary legislation part 2; Report on responses to consultation paper e-conveyancing secondary legislation part 2; Land Registry Network Access Agreement.

Available to view or download at:

<http://www1.landregistry.gov.uk/e-conveyancing/resources/>

Contact for enquiries: Kieran Walsh

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What is the problem under consideration? Why is government intervention necessary?

Currently there is no legislation allowing conveyancing to be conducted electronically.

This Impact assessment deals solely with the Land Registration (Electronic Conveyancing) Rules 2008 (The Rules), which allow compliance with section 91 of the Land Registration Act 2002, thus acting as an enabler permitting Land Registry to accept electronic charge applications, created by the Housing market. This is the first phase of Land Registry's E-Conveyancing programme, which is part of Land Registry's response to the White Paper on Modernising Government.

What are the policy objectives and the intended effects?

The Rules themselves do not create any benefits in relation to cost and accuracy. The processes that the Rules enable do however facilitate the reduction of the administrative burden on lenders, and conveyancers acting on their behalf. The Rules will be used in conjunction with the e-security solution already piloted by Land Registry for use by individual borrowers. They are intended to lessen the problems associated with re-mortgages and improve operational efficiency. They will assist lenders and conveyancers (especially bulk conveyancers) by providing a more secure, streamlined and efficient process; and to further test the e-security solution (e-signatures) without the additional risk of a full-scale roll out of that system. At this stage e-signatures will be limited to citizens only.

What policy options have been considered? Please justify any preferred option.

Option 1 – Do nothing

Option 2 – Introduce The Rules and allow the market use of all dispositions currently available, launching e-conveyancing with a Big bang approach.

Option 3 – Allow The Rules to be implemented and test the market using a limited user group and functionality (e-charges)

Preferred Option is Option 3 as this gives Land Registry and the market place the opportunity to test the rules and the systems required to operate them in a controlled fashion.

When will the policy be reviewed to establish the actual costs and benefits and the achievement of the desired effects? Three to five years depending on market take up.

Ministerial Sign-off For final proposal/implementation stage Impact Assessments:

I have read the Impact assessment and am satisfied that (a) it represents a fair and reasonable view of the expected costs, benefits and impact of the policy, and (b) the benefits justify the costs

Signed by the responsible Minister:

Michael Wills, Minister of State, Ministry of JusticeDate: 2nd July 2008

Summary: Analysis & Evidence

Policy Option: 3	Description: Proceed with the introduction of the rules to initially allow the trial of the e-security and e-charges solution.
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COSTS	ANNUAL COSTS	Description and scale of key monetised costs by 'main affected groups' Project staff costs = £45,000 Consultation creation costs = £10,000		
	One-off (Transition) Yrs			
	£ 55,000	1		
	Average Annual Cost (excluding one-off)			
	£ 0	Total Cost (PV) £ 55,000		
Other key non-monetised costs by 'main affected groups' Cost incurred here affects the Project Team, which was set up for the creation of the rules. Costings cease once rules are in force.				

BENEFITS	ANNUAL BENEFITS	Description and scale of key monetised benefits by 'main affected groups' Average annual benefit is calculated as a cost saving to external conveyancers arising from the potential developments in e-conveyancing. These Rules have no cost to external users.		
	One-off Yrs			
	£ 0			
	Average Annual Benefit (excluding one-off)			
	£ £288,456	5	Total Benefit (PV) £ £1,067,593	
Other key non-monetised benefits by 'main affected groups' These rules pave the way for the automation of applications negating the requirement for direct personal intervention by staff. Staff costs for processing will be reduced as an indirect result of these rules as calculated in Impact Assessment Notes below.				

Key Assumptions/Sensitivities/Risks

See Assumptions in Appendix A/. Reputational risk in delaying e-conveyancing compared to a big bang approach.

Big bang approach may limit benefits as take-up may be lower.

Greater potential for design flaws in system to undermine process.

Price Base Year 2008	Time Period Years 5	Net Benefit Range (NPV) £ £900,000 – £1,100,000	NET BENEFIT (NPV Best estimate) £ £1,012,593
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What is the geographic coverage of the policy/option?		England and Wales		
On what date will the policy be implemented?		Summer 2008		
Which organisation(s) will enforce the policy?		No enforcement		
What is the total annual cost of enforcement for these organisations?		£ 0		
Does enforcement comply with Hampton principles?		Yes		
Will implementation go beyond minimum EU requirements?		No		
What is the value of the proposed offsetting measure per year?		£ N/A		
What is the value of changes in greenhouse gas emissions?		£ Negligible		
Will the proposal have a significant impact on competition?		No		
Annual cost (£-£) per organisation (excluding one-off)	Micro £0	Small £0	Medium £0	Large £0
Are any of these organisations exempt?	Yes/No	Yes/No	N/A	N/A

Impact on Admin Burdens Baseline (2005 Prices) (Increase - Decrease)

Increase	£	Decrease	£	Net	£
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Key:

Annual costs and benefits: Constant Prices

(Net) Present Value

Evidence Base (for summary sheets)

Option Breakdowns

Option 1 – Do nothing

By maintaining the existing Land Registration Rules 2003, Land Registry would be failing to drive forward the reforms mandated by the E-Conveyancing Programme and the Land Registration Act 2002. Specifically, this option would leave untouched the cumbersome paper-based system, which is prone to delays and allows scope for error (e.g. using the wrong form of charge) and the commission of fraud (e.g. forgery, impersonation).

Costs

The current costs for processing charges incurred by the conveyancing community are set out in Annexe A impact assessment notes below.

Risks

It would potentially harm stakeholders by retaining an outdated and archaic process, which has the potential to be error strewn.

Benefits

N/A

Option 2 –

Introduce legislation for e-charges at the same time as other dispositional e-documents

The E-conveyancing Programme is being implemented in a series of phased releases, each of which builds on the achievements and lessons learned in the previous one(s). The object of this approach is to manage and minimise risk. The introduction of dispositional e-documents (other than e-charges) currently forms part of release 2, scheduled for introduction not before the middle of 2009. This option proposes to combine the implementation of legislation for e-charges with that of other dispositional e-documents.

Costs

The total costs for introducing legislation for this option would potentially be less than option 3 but more than option 1 but no calculations as to monetary value have been pursued.

Risks

Savings would be relatively minor and more than outweighed by the increase in the number, and severity of impact, of the potential risks associated with a 'Big Bang' approach.

From Consultation feedback and stakeholder involvement using this option may not be well received within the market place, and hence stakeholders may not take up e-conveyancing.

Benefits

Slight cost savings in relation to consultation.

Cost savings – such as printing, stationery, postage will apply to conveyancers, lenders etc.

Immediacy and certainty of application – the applicant will be able to request that immediately the e-charge has come into effect an electronic application to register it be made.

Option 3 – Allow The Rules to be implemented and test the market using a limited user group and functionality (e-charges)

This option allows Land Registry's aims of simplifying and streamlining processes, by enabling conveyancing processes to be enacted electronically, thus enhancing security, reducing errors and increasing operational efficiency, to be fully tested whilst managing risks to the E-conveyancing Programme effectively.

This combination of aims can be met only by the incremental introduction of services and functionality, which alone enables Land Registry to trial new services and products and test market responses thereto prior to full rollout, and is also in keeping with the OGC recommendations in relation to phased releases.

Option 3 would obviate some of the potential risks associated with option 2 because by its very nature it is a smaller more defined set of customers that are affected. This option will however, allow a sufficiently robust testing of capacity throughput and new technology, but limit the risks to both Land Registry and stakeholders alike. Significant benefits of this type of approach have been identified to both Land Registry and its stakeholders and are detailed below in the consultation done to date.

Costs

Because of the costs in relation to creation of the rules, option 3 is more expensive than option 1 and probably has a similar cost base to option 2, however utilising this option will incur further costs at a later date. Reason being additional legislation will be required.

The one-off costs referred to in the Summary Analysis & Evidence table above are generated solely by Project expenditure.

Once the Rules come into force the project is closed and there will be no additional costs associated with the rules.

Our research suggests that the majority of stakeholders already meet the technical requirements for the proposed e-conveyancing service. Therefore the majority will incur no costs in implementing the new system. However there will be a limited training requirement, which will incur a small amount of cost, but this, arises from implementation of the system, not from the rules themselves

Risks

Reputational risk in that we are perceived to be taking too long to implement full e-conveyancing.

Benefits

Allows us to ascertain whether the processes developed are fit for purpose.

Promote customer buy in.

Indicates that consultation responses have been acted upon.

These rules pave the way for the automation of applications negating the requirement for direct personal intervention by staff. Staff costs for processing will be reduced as an indirect result of these rules

Cost savings – such as printing, stationery, postage will apply to conveyancers, lenders etc.

Immediacy and certainty of application – the applicant will be able to request that immediately the e-charge has come into effect an electronic application to register it be made.

By ensuring greater accuracy and efficiency, conveyancers should benefit by enabling them to complete transactions faster, in the future when full e-conveyancing is available.

We anticipate a limited and incremental uptake of the services which minimises costs to both Land Registry and external customers.

No one-off costs were incurred as referred to in the Summary Analysis & Evidence table above.

The average Annual Benefit to our external community has been calculated by using the Impact Assessment-Notes below. However these benefits relate to the future processes enabled by the rules.

The benefit cost has been calculated by the time saving under the electronic process with a training cost factored in. Which equates to a total saving of 6 minutes processing time per transaction multiplied by the estimated total of applications received for this transaction type.

Option 3 provides the best balance between attaining the benefits of available from Option 2 but without its associated risks as the rules will be tested first. Both Option 2 and Option 3 are preferable to Option 1, as can be seen from the analysis in the summary sheets and calculations in Annex A. For these reasons Option 3 is the recommended option.

Consultation to date

After receiving ministerial approval the E-Conveyancing programme has led a series of consultation exercises with its stakeholders, details of which are contained in the related publications section on page 1. The two most recent of which were directly in relation to the legislation required to enable land

registration to be legally completed electronically, utilising new technology to accomplish these objectives.

In addition to the formal consultations, Land Registry has also carried out independent market research with its stakeholders with the aim of establishing viability and demand for the implementation of the new service offerings to be delivered¹

Impact tests

Competition Assessment

The affected markets are

- conveyancing, banking, lending institutions
- providers of services (administrative, legal, publishing) to the above.

The lending market had two players with 10 per cent or over of the new lending market – HBOS (21 per cent) and Abbey (10 per cent). The top 5 lenders had 57 per cent of the market in 2000, but this had fallen to 55 per cent in 2005². The Competition Commission is unlikely to allow further consolidation amongst the market leaders. Figures in relation to transaction numbers and average estimated timings are set out in annexe a below.

However, recent financial problems associated with the international credit crunch have changed the market place with some major lenders changing their portfolios substantially, potentially rendering these figures obsolete. There is no official data available reflecting the current position.

The conveyancing market is much more fragmented. It ranges from small high street firms, who do conveyancing as part of a range of services, to large volume conveyancing 'factories' (hereinafter referred to as bulk conveyancers). Hammonds Direct claims to be the largest conveyancing firm, with about 10% of the market³.

Having run the competition filter test, we do not believe that the proposals will raise any significant competition issues.

It is envisaged that in the early stages costing for using the electronic system, will be equivalent to those using the paper system. However, in the long term with potential savings to both customers and Land Registry this may change.

Whilst initially Land Registry will focus its efforts on signing up a limited number of users, to avoid the potential one group of users gaining a business advantage over another the system will be rolled out as quickly as possible. Ultimately the aim is to encourage all users to use the electronic system. However, this may prove an unattainable goal without the use of compulsion, which would be covered by separate legislation following consultation.

Small firms

Conveyancing is still overwhelmingly undertaken by small businesses. A high street segmentation report by Land Registry found that of the 3,730 active high street conveyancers, 57 per cent fall within the definition of 'micro-business' (fewer than 10 full time equivalent employees) with a 49 per cent share of the conveyancing market. Only 23 per cent of firms had more than 20 full-time equivalent staff, and they had a 33 per cent share of the conveyancing market. While the number of bulk conveyancers has increased in recent years, it appears that they have absorbed the increasing volume of conveyancing transactions, not taken work from smaller firms.

¹ Source E-conveyancing Market Analysis amongst High street Conveyancers and Solicitors, pub May 2006, prepared for Land Registry by GfK NOP

² Figures from Council of Mortgage Lenders in "The Changing Structure of the UK Mortgage Market" (2002); MM10 "Largest Mortgage Lenders 2005". The percentages are based on the mortgage book, but new lending produces similar results.

³ See webpage www.legalmove.com/ They deal with about 9,900 conveyancing transactions per month.

During the small firms impact assessment specific size related issues were minimal and affected all forms of completion. However, some specific issues related to this markets are:

- Staff training/slower while getting used to e-charges
- Update organisation's technical software/hardware.⁴

In connection with an earlier impact assessment, the Small Business Service of the DTI was approached and suggested that we should contact a selection of professional bodies and trade associations including conveyancers, surveyors and land agents. This was done as part of this consultation process, indeed, we have regular contact with members of stakeholder representative bodies through the quarterly meetings of our Business User Group.

Legal Aid

Not applicable the introduction of these rules will not impact on the legal aid system. As mentioned above the rules relate to a charge in a standard form for primary use in the remortgage area.

Sustainable Development, Carbon, Other Environment, and Health Impact Assessments

The creation of these rules in themselves does not have any impact, however the application of the rules within the stakeholder environment and the workplace environment create benefits which are listed in the benefits sections above.

Race, Disability and Gender Equality

Having carried out the statutory impact assessments in relation to Race Gender and Disability, we do not believe that there are any significant race, gender or age issues involved in these proposals, and none have been raised in initial consultations. E-charges in general have the potential to disadvantage conveyancers and other practitioners who have impaired vision, especially those whose impairment is severe. In order to avoid such an outcome, Land Registry has maintained close links with the Society for Visually Impaired Lawyers (SOVIL) since 2002 and has engaged with their consultants at the Royal National Institute for the Blind. E-conveyancing screens generally meet the highest level of compliance recommended under the Disability Discrimination Act.

Human rights

We do not believe that any human rights issues arise in relation to the recommended proposal.

Rural proofing

Land Registration is a national system that is equally applicable to rural and urban areas: It is envisaged that no separate issues arise since the vast majority of the users of the standard form will come from approved panels of solicitors whose locality to the client be it rural or urban is incidental.

Policy makers' rural proofing checklist can be visited at the following website:

<http://www.ruralcommunities.gov.uk/files/CA35-RuralProofing-PolicyMakersChecklist.pdf>

⁴ Details of the technical requirements are contained within the Land Registry technical manual

Specific Impact Tests: Checklist

Use the table below to demonstrate how broadly you have considered the potential impacts of your policy options.

Ensure that the results of any tests that impact on the cost-benefit analysis are contained within the main evidence base; other results may be annexed.

Type of testing undertaken	<i>Results in Evidence Base?</i>	<i>Results annexed?</i>
Competition Assessment	Yes	No
Small Firms Impact Test	Yes	No
Legal Aid	Yes	No
Sustainable Development	No	No
Carbon Assessment	No	No
Other Environment	No	No
Health Impact Assessment	No	No
Race Equality	Yes	No
Disability Equality	Yes	No
Gender Equality	Yes	No
Human Rights	Yes	No
Rural Proofing	Yes	No

Soft benefits to Option 3

The below information relates to projected initial pilot users and has been used in an attempt to signal any tangible benefits to stakeholders using the system initially

- 1 Allows volume top 300 conveyancers to gain familiarity with e-conveyancing prior to full roll-out.
- 2 Allows volume top 300 conveyancers to gain familiarity with portal services.
- 3 Allows volume top 300 conveyancers to gain familiarity with XML interface.
- 4 Allows volume top 300 conveyancers to gain familiarity with prepare and gain knowledge of how their case management systems (CMS) will integrate with e-conveyancing.
- 5 Allows small controllable roll-out of e-signatures.
- 6 Allows Land Registry to test and give further thought to how the remainder of the e-conveyancing XML should work.
- 7 Allows Land Registry to start marketing activities earlier, therefore gaining momentum earlier.

Impact assessment – notes

The below metrics were used in working out potential benefits for the initial users of the system.

History

A conveyancer typically undertakes applying a charge on behalf of lender. This can happen in two instances:

- - When a mortgage is taken for the purchase of a property – normally undertaken by a high street conveyancer
- - When a property is re-mortgaged – normally undertaken by direct conveyancers

Statistical Analysis of Land Registry Intakes in relation to Mortgage applications are set out below.

- 1 Number of residential charges applied in 2006 was:
= 2,074,977 or 100 per cent
 - 1a. Number of commercial charges in 2006 – ignored in this benefits and cost analysis:
= 366,172
 - 1b. Number of charges applied for a purchase of a property was:
= 1,001,853 or 48.3 per cent
 - 1c. Number of charges applied for re-mortgage was:
= 1,073,124 or 51.7 per cent

The Rules will initially be used to facilitate mortgages in electronic form amongst the user group referred to below.

Roll out will be top 300 firms over 30 months.

- Top 100 = 20 percent of **remortgage** market, assuming 50 per cent fewer transactions in next 100 firms and reduces another 50 per cent in the next 100 firms.

(20 per cent + 10 per cent + 5 per cent = 35 per cent total = **375,593 (=Y)**)

To establish the benefit associated with the electronic system we have estimated the current and future processing times below.

Current Calculation

- 2 Top 300 firms processes for applying a charge (re-mortgage) is like to take an average of seven minutes.

= 7 minutes

2a. It is assumed that a fee earner does not get involved, and therefore support staff manage to apply the charge costing the firm £7.69 per hour (£14,000/52weeks/35hrs). Fee earner involvement will increase the cost reduction available under Option 2 and Option 3.

= 0.128 £ per min⁵

Applying the following calculation the cost as is is

Y x 2 x 2a = £336,531 (=2D)

Future Calculation under electronic system

- 3 We estimate that using the top 300 firms processes an application for an electronic charge takes an average of one minute.

= 1 minute

3a It is assumed that a fee earner does not get involved, and therefore support staff manage to apply the charge costing the firm £7.69 per hour (£14,000/52weeks/35hrs)

= 0.128 £ per min

Applying the following calculation the cost as is is

Y x 3 x 3a = £48,075 (=3B)

The future benefit is calculated by subtracting 3B from 2D

Which = **£288,456**

⁵ Based on SimplyLawJobs.com's Wage Watch report 2006, Page 4 NW Property Law Student wages figure £14 k used here for support/admin staff

